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SUBJECT: THE BARROSO COMMISSION: MORE OLD FACES
THAN NEW ONES

SUMMARY

1. The next EU Commission to take office on November 1, 2004, will have 25 members, including its President. A majority of them are already in place: they are from the ten new Member States, having joined on May 1 and looking for a full five-year mandate, or from the former EU-15 and also expecting to be re-nominated by their governments. Now that the European Parliament (EP) has confirmed him as Commission President-elect, Jose Manuel Barroso will start working on the make-up of his team and the sensitive allocation of portfolios among Commission members. END SUMMARY.

ALL THE PRESIDENT'S MEN AND WOMEN

2. The mandate of EU Commission President Prodi and his colleagues in the college of Commissioners will expire at the end of October. With the European Parliament's July 22 confirmation of Jose Manuel Barroso of Portugal as President-elect, Barroso must now formally begin consultations with EU governments to draw up the list of the other (24) members of his Commission (one per member State).

3. Far more complicated than compiling the list of 24 fellow Commissioners will be divvying up the substantive portfolios of Commission work among them. In the first instance, he needs to figure out how to create five more jobs with high enough profiles to satisfy his colleagues, when even among the current 20 Commissioners a few have seemed to lack for enough to do. In comments to the press, he has expressed doubts about the wisdom of one proposal to create more slots - Commission VP positions without direct line responsibility who would instead coordinate "teams" of other Commissioners for broad policy areas such as external affairs, economic policy, or justice and home affairs.

4. Even more politically sensitive will be deciding who gets which portfolio. Barroso's challenge will be to protect his prerogatives and resist pressure from governments for their nationals to receive specific portfolios. France, Germany and the UK have already publicly voiced their desires for key economic portfolios. In his June 30 appearance before the EU press corps and during hearings at the EP, Barroso invoked Treaty rules to make it clear that he alone will be in charge of the allocation of portfolios among the future Commissioners. Barroso was "prepared to listen" if they could help him to assess the skills of potential nominees, but France and Germany were only making "suggestions," he said. Barroso has also stressed an interest in an increased proportion of women on the new Commission (up from 8 of the current 30).

5. Following is our assessment of likely nominees for the Barroso Commission:

JUST ARRIVED IN BRUSSELS

6. A safe bet is that most, if not necessarily all, Commissioners who joined the Prodi team from the ten new Member States on May 1, 2004 will be re-nominated for a full five-year term. Some uncertainties persist in respect of the Czech republic (following the change at the top of the government) and Hungary (where FM Kovacs may seek the job for himself). These ten Commissioners already have full voting rights in the Prodi Commission but have no portfolio of their own, instead "twinning" with current Commissioners. Though Barroso may in some cases be prepared to play for continuity and give them full responsibility for the area they are covering only in part now, he will

be free to reshuffle portfolios completely. These Commissioners are:

- Czech Republic: Pavel Telicka ("twinned" at Health and Consumer Protection);
- Cyprus: Marcos Kyprianou (Budget);
- Estonia: Siim Kallas (Economy and Finance);
- Hungary: Peter Balasz (Regional Policy);
- Latvia: Sandra Kalniete (Agriculture and Fisheries, but with little chance to stay there);
- Lithuania: Dalia Grybauskaite (unhappily "twinned" at Education and Culture; interested in an economic portfolio);
- Malta: Joe Borg (Development Cooperation and Humanitarian Assistance, a portfolio that is likely to be split);
- Poland: Danuta Huebner (Trade; said to be interested in an econ portfolio);
- Slovenia: Janez Potocnik (Enlargement and New Neighborhood Policy, and rumored to be very interested in staying there, where he would be responsible, inter alia, for accession negotiations with neighboring Croatia);
- Slovakia: Jan Figel (Enterprise Policy and the Information Society).

ALREADY ON BOARD AS WELL

17. Also likely to be reappointed are the four members who joined the Prodi Commission this year in replacement of early departures:

- Greece: Stavros Dimas, now in charge of Employment and Social Affairs, would like to relinquish his portfolio, perhaps for Fisheries (assuming this is separated from Agriculture);
- Spain: Joaquin Almunia, now holding the Economic and Monetary Affairs portfolio, expects to be reappointed but would be forced to leave Brussels when/if the Constitutional Treaty enters into force (perhaps at the beginning of 2007) and High Rep Solana officially becomes EU Foreign Minister, thus landing in the Commission as a Vice-President;
- France: Jacques Barrot, who handles EU Regional policy, will seek an economic portfolio. Paris is eager to see him in control of Competition policy to prevent further Commission blockades of French state subsidies and mergers involving its major companies. However, Barrot's knowledge of EU technicalities and his linguistic talents may not meet the requirements of the job. He may have to settle for another slot (perhaps Single Market, Employment/Social Affairs, or JHA);
- Finland: Olli Rehn, just chosen to succeed departing Enterprise and Information Society Commissioner Erkki Liikanen, will most likely seek an economic portfolio.

18. Other Member States will/may re-nominate the current holder of their Commission slot:

- Germany: Chancellor Schroeder has already announced (without prior consultation with the President-designate) that the mandate of Commissioner Guenther Verheugen would be renewed. Schroeder made it clear he would like to see Verheugen become a "super-Commissioner" in charge of economic matters. Though widely credited for his management of the complex enlargement portfolio, Verheugen arguably has no specific expertise in the economic area;
- Italy: Mario Monti, currently in charge of EU Competition policy, is willing to stay and appears to have convinced PM Berlusconi to keep him in Brussels, possibly with an eye on the coveted Economic and Monetary Affairs portfolio. A possible replacement is Rocco Buttiglione, Italian Minister for Community policies;
- Sweden: Margot Wallstroem (now holding the Environment portfolio) told the press in Brussels on July 7 that she would probably stay in the

Commission for another term;

--Luxembourg: Viviane Reding (Education and Culture) can also hope for reappointment, following her party's strong showing in the June national and EP elections.

SOME NEW FACES AT LEAST

19. As for the other Member States, the situation appears to be as follows:

--Austria: Franz Fischler (holder of the Agriculture and Fisheries portfolio) is expected to leave Brussels. FM Ferrero-Waldner is a potential candidate, but the list of would-be Commissioners also includes Interior Minister Strasser, Health Minister Maria Rauch-Kallat, the head of Austria's Economic Chamber Christoph Leitl, as well as Balkans Stability Pact Coordinator Erhard Busek;

--Belgium: Commissioner Philippe Busquin (Research) will be replaced by former FM Louis Michel, who has already expressed a keen interest in the Development portfolio;

--Denmark: the Liberal-led government will not confirm Poul Nielson (Development and Humanitarian Assistance). Former FM and Liberal party front-runner Ellemann-Jensen has declined the job. Coalition-member Conservative Party may put forward Hans Skov Christensen, Director of the Confederation of Danish Industries. Another possible candidate is Integration Minister (Liberal) Bertel Haarder, but PM Rasmussen may not want to do without him on the domestic front;

--Ireland: the former Presidency is said to be in competition with the current (Dutch) one for the Agriculture portfolio. Agriculture Minister Joe Walsh and Finance Minister McCreevy (who denied any interest) have been mentioned as potential candidates but the game seems to remain open;

--The Netherlands: The Dutch are looking for the Agriculture/Fisheries portfolio, for which they would push the candidacy of their current Ag Minister Cees Veerman (CDA), who already won public backing from French president Chirac. Other options would be former Minister Neelie Kroes (VVD), who could have an eye on the Transport portfolio, and former Finance Minister Onno Ruding (CDA).

--UK: The front-runner for the job of Britain's Commissioner would be PM Blair-confidant and former new Labor Minister Peter Mandelson, who would aim for an influential reform-oriented portfolio, such as the Internal Market one. Another option would be a female member of the Blair cabinet such as Secretary for Industry and Trade Patricia Hewitt, likely to be a contender for the Single Market or Trade portfolio;

COMMENT

10. Barroso will preside over a Commission that may actually include less than a third of newcomers. This should ease the transition somewhat, although many, if not most, in the old guard will only have been here for a few months. Having relinquished the right to nominate a second Commissioner, the large Member States will put tremendous pressure on the President-designate to give their nominee a powerful portfolio. The allocation of responsibilities has never been an easy task, but Barroso may find it even harder than his predecessors. The make-up of an enlarged Commission where everybody feels at ease with a decent, substantial portfolio will not only be the first test of his talents as a manager and captain of the Commission ship but will also determine the quality of his relations with his former PM colleagues for many years to come.

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